

H. RES. 644, RULE ON CONSIDERATION OF THE BILL (H.R. 3170) MAKING APPROPRIATIONS FOR FINANCIAL SERVICES AND GENERAL GOVERNMENT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2010

SPEECH OF

**HON. SHEILA JACKSON-LEE**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 16, 2009*

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise in support of the Rule for consideration of H.R. 3170 making appropriations for financial services and general government for the fiscal year ending September 30, 2010.

The Financial Services Appropriations bill is a key part of efforts to restore the stability of, and the public confidence in, America's financial institutions. It makes needed investments in strengthening the Securities and Exchange Commission's ability to enforce rules that govern investments and financial markets and to detect and prosecute fraudulent schemes, and it permits the District of Columbia to continue operating in accordance with the decisions and policies established by its own local leadership.

Along with these issues, the bill also supports America's auto dealers. Specifically, it

requires automobile companies who have taken federal funding to reinstitute agreements with dealerships they have dropped in recent bankruptcy proceedings. As you know, this country made an investment in General Motors and Chrysler, two of the nation's largest manufacturers. Given the potential impact to workers as well as car dealers, many of whom are in my district in Houston, I supported this government investment. However, in the aftermath, nearly 3000 auto dealers today face extinction. The restructuring with GM and Chrysler have cost these dealers their right to continue selling these cars. This bill simply provides dealers the same rights they would have had before GM and Chrysler's bankruptcy proceedings started.

Previously GM and Chrysler had notified arbitrary dealers that their relationship was ending, essentially immediately, leaving dealers with millions of dollars invested in car stock, no options for consolidation and little leverage for liquidation. There was no transparency to the system that shut down many profitable dealerships that have been local institutions for decades, and no proof from auto makers that shutting down those dealerships will actually be financially beneficial to the makers. This legislation builds on the efforts of Congress in a letter sent to the Treasury Department Auto Task Force on May 19, and a letter sent to President Obama today.

We all recognize that the economy is not favorable to the auto industry right now: we have already seen layoffs from manufacturers and we expect to see many dealerships consolidate and close this year. However, forced, arbitrary closure of dealers by manufacturers will not necessarily be financially beneficial to automakers, and it certainly will not help the local economies where dealers are integral to the business community. These dealerships employ hundreds of people across my district in good-paying jobs, they sponsor our community services projects in Houston and across the country; moreover, these dealers have been household names for generations.

Some may say that auto dealers are standing in the way of change. I say they want change in the industry, and in fact they want only to be a part of that change. Each car dealer represents dozens of employees left without income or health care, and a major hit to the local economies of these towns. At a time when our nation is reeling from the loss of hundreds of thousands of jobs each month and struggling to address health care reform, I congratulate Mr. SERRANO and his staff in working to craft legislation to prevent hundreds of dealerships from shuttering their doors. Madam Speaker, I support the resolution, the underlying bill, and America's auto dealers and I ask my colleagues to do the same.